Lead Factor Governing General Industrial and Mercantile Situation.

The first quarter of 1920, which has been a period marked by unusual inconvenience to commerce through transportation delays and other handicaps, now nears its end-ing with an increase of activities in various quarters on the favorable turn iff the weather, but with evi-dences of growing conservatism clearly apparent. With prices and wages continuing at exceptionally high levels, and with the enhanced costs of transacting business, the prevailing situation is one which induces caution in operations, and certainty regarding international imposed by the United States, cny political developments, labor conditions and the outcome of the year's the United States, or by any local

commodities has resulted from the clause (b) above. waiting policy of buyers, or from turnover. That some sellers' views ment of taxes. about prices have undergone revi- The right is reserved to reject any

made itself manifest in the East. and later in parts of the West and South, may not have become a fixed policy are being more frequently heard in dry goods channels and elsewhere; and the greater discrimfeverishly active as formerly, but it subscribed for and allotted. bulks heavy in the aggregate, and As fiscal agents of the

As was not unexpected, in view of the shorter month, the further depreciation of European exchange and severe storms that hampered merchandise movements, exports from the United States during February were materially under those of January, being about \$6,000,000 Thus, the February shipments, as recently announced from \$645,769.025, which compares with \$722.057.780 in January, and falls be-low the figures of all months since last October, when goods to the value of \$631,618.449 were sent overseas from this country. Like the exports, the February imports disclose contraction from those of January, but the decrease is only some \$6,400,000-from \$473,904,053 to \$467,-470,504-and the excess of exports over imports, which was \$248,153,727 in January, was reduced to \$178, 298,521 in February. If continued, such tendencies as these will serve to automatically correct the abnorchange, and it is significant that sterling exchange recovered further

Iron and Steel Price Premiums. After a brief halting of price advances, this week's list of iron and strength of primary cotton goods quotations discloses several

This figure, while more than \$1 be-

FIRST QUARTER NEW TREASURY **NOTES OFFERED**

PRICE READJUSTMENTS Sec. Houston Announces Subscription Offering of \$200,000,000.

The Secretary of the Treasury ffers for subscription, at par and accrued interest, through the Federal Reserve Banks, Treasury certificates of indebtedness, Series E 1920, dated and bearing interest from April 1, 1926, payable July 1, 1920, with interest at the rate of 4% per cent per annum. Applications will be received at the Federal Reserve Banks.

Bearer certificates, without coupons, will be issued in denomina-tions of \$500, \$1,000, \$5,000, \$10,000 and \$100,000.

Said certificates shall be exempt, both as to principal and interest. some hesitation is prompted by un- from all taxation now or hereafter More than any other single ele-ment, however, the price factor gov-uated additional income taxes, comerns mercantile and industrial un-dertakings, and expectations of cess-profits and war profits taxes. price readjustment to follow, al- now or hereafter imposed by the though as yet unsupported by any United States, upon the income or general market yielding, tend to-profits of individuals, partnerships, ward reduction in engagements for associations, or corporations. The the future. While not a few new interest on an amount of bonds and contracts are prevented by the pauty of supplies that still exists in approved September 24, 1917, and different lines, yet shortage of goods amendments thereto, the principal is less of a restraining influence of which does not exceed in the than previously, with war-time requirements no longer present and dividual, partnership, association, imports from Europe measurably or corporation, shall be exempt larger, and accumulation of certain from the taxes provided for it

The certificates of this series do their disposition to commit them- not bear the circulation privilege selves only on a basis of a quick and will not be accepted in pay

sion, is indicated by the fact that remote shipments in some instances the amount of certificates applied are being offered at lower quota- for and to close the subscriptions a tions than those named on current deliveries, and by the increasing expressions of doubt as to the ability of retailers to secure extreme prices indefinitely.

any time without notice. Payment at par and accrued interest for certificates allotted must be made on or before April 1, 1920, or on later allotment. After allotment and upon the property of the payment of Questionings as to whether con- payment Federal Reserve Banks sumers' growing opposition to ab. may issue interim receipts pending normally high prices, which first delivery of the definite certificates. Any qualified depositary will be per mitted to make payment by credit for certificates allotted to it for it self and its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reination in buying, with demands serve Bank of its district. Pursuant to an arrangement between the and more staple articles, is a feature Treasury and the War Finance Corcommented upon in many dispatches poration, bonds of that corporation. With purchasing irrespective of dated April 1, 1919, due April 1, 1920. prices, and largely on speculation, will be accepted at par in payment for any certificates of the Series E country's business is not now so 1920 now offered, which shall be As fiscal agents of the United has gained in wholesomeness States, Federal Reserve Banks are through the spread of conservatism authorized and requested to receive

> ury to the Federal Reserve Banks of the respective districts. \$200,000,000 or more.

1919, prices, but some other interests market has been somewhat relieved, are naming higher levels, and offers more substantial relief seems far of fancy premiums for urgentlyeeded material are not uncommon. While the spring-like weather of the week has effected improvement plant operations, yet car and fuel shortages have by no means been wholl; remedied, and capacity running at mills is impracticable, though the gain in outputs contin-With manufacturers well sold up, some business is necessarily held in abeyance, but there is also some conservation in buying, and railroad demands have not developed the ex-

pected proportions. Active Retail Dry Goods Trade. With several consecutive springlike days, and with the Easter shopping season on, recent improvement in retail dry goods trade in Eastern mal conditions in European ex- and Northern sections of the country has been accentuated, and sentiment among merchandising interthis week, rising to about \$3.85, ests has become more optimistic. The effects of the increased activity low parity, contrasts sharply with in over-the-counter distribution are the low record level of \$3.18 of early | beginning to be seen in a better tone in wholesale channels, where hesitation had been caused by uncertainty as to consumers' attitude toward higher prices, and the renewed markets is a feature. Where sub-

different descriptions of pig iron, and are available for quick use, prepersemer and open-hearth rails, mium prices are procurable, and credits, and not by long-term loans sheet bars and iron bars. The lead- print cloths have risen to the highing producer, according to trade ad- est basis yet reached.

CONGRESSIONAL OIL It has been announced that the stock will advance April 1 to 20 cents per share. We doubt if any will be left at that price. We believe that some brokers are selling short and are going to find it hard to make deliveries.

NEXT DIVIDEND PAYABLE TO OIL STOCK HOLDERS OF RECORD APRIL 1ST.

Congressional Has the Indorsement of Trust Company and Banks.

WE OFFER for Immediate Acceptance 1,500 Shares

\$8 BUYS 100 SHARES BUYS 200 SHARES **BUYS 300 BUYS 400** BUYS 500 SHARES

Payable 25% cash, balance in 15 days. We guarantee you to receive the dividend. Act quick; use the wires.

Investers Financial Corporation Widener Building - Philadelphia, Pa.

NATIONAL MARKETS

BRITISH GOVERNMENT BONDS WAR LOANS-NATIONAL WAR BONDS-EXCHEQUER BONDS

|) | Interest Rate | Maturity | Approximate Price Delivered Here Per £ 100 Bond | Approximate Cost if Exchange At Normal | Approximate Profit When Exchange Normal | Profit on Original Invest- ment Upon Redemption | Approximate Present Yield on Original Investment | Approximate Annual Yield on Original Investment When Exchange | Yield on Original Investment Including Profit on Redemption if Held to Maturity |
|----|------------------------------------|---|--|--|--|--|--|---|--|
| | 3½ per cent. WA | R LOAN (1) | Total Addition | | 1000 | | | Normal | |
| s | 3½ per cent. Opti | Mar. 1, 1928—Govt. on after Mar. 1, 1925 | \$300.00 | \$418.82 | \$118.82 | \$187.00 | 4.08 per cent. | 5.68 per cent. | 13.09 per cent. |
| | 41/2 per cent. WA | Dec. 1, 1945—Govt. on after Dec. 1, 1925 | 297.50 | 405.95 | 108.45 | 189.50 | 5.29 per cent. | 7.36 per cent. | 8.61 per cent. |
| | 5 per cent. WAR | June 1, 1947—Govt. | 325.00 | 445.00 | . 120.00 | 162.00 | 5.38 per cent. | 7.50 per cent. | 9.19 per cent. |
| v. | 4 per cent. WAR | n after June 15, 1929 | The state of the s | | | 71.7 | | | |
| d | 4 per cent Option | Oct. 15, 1942—Govt. on after Oct. 15, 1929 | 357.00 | 497.00 | 140.00 | 130.00 | 4 per cent. | 5.45 per cent. | 7.10 per cent. |
| 1- | NATIONAL WAR BONE | | | 407 40 | 107.00 | 50.00 | | 5 1 1587 | |
| • | 5 per cent. (3) 5 per cent. (3) | Oct. 1, 1923 @ 102 Oct. 1, 1924 @ 104 | 350.00 | 487.00 487.00 | 137.00 137.00 | 58.00 156.48 | 5 per cent. 5 per cent. | 4 | |
| 9 | 5 per cent. (3) | Oct. 1, 1927 @ 106 | 350.00 | 487.00 | 137.00 | 161.35 | 5 per cent. | 7 per cent. 7 per cent. | |
| st | 4 per cent. (3) (4) | Oct. 1, 1987 @ 100 | 350.00 | 487.00 487.00 | 137.00 | 137.00 | 4 per cent. | 5.56 per cent. | |
| y | 5 per cent. (3) | Second Series (5) April 1, 1923 @ 102 | 350.00 | 487.00 | 187.00 | 109.00 | 5 Don cont | 7 | 10.00 |
| ie | | April 1, 1925 @ 104 | 350.00 | 487.00 | 187.00 | 156.48 | 5 per cent. 5 per cent. | 7 per cent. 7 per cent. | |
| | 5 per cent. (3) | April 1, 1928 @ 105 | 350.00 | 487.00 | 137.00 | 161.35 | 5 per cent. | 7 per cent. | |
| | 4 per cent. (3) (4) | April 1, 1928 @ 100 | 350.00 | 487.00 | 137.00 | 137.00 | 4 per cent. | 5.56 per cent. | |
| e | 5 per cent. (3) | Third Series (5) Sept., 1923 @ 102 | 359.00 | 487.00 | 137.00 | 109.00 | 5 per cent. | 7 | 16.09 per cent. |
| | 5 per cent. (8) | Sept., 1925 @ 104 | 350.00 | 487.00 | 137.00 | 156.48 | 5 per cent. | 7 per cent. 7 per cent. | |
| 1- | 5 per cent. (3) | Sept., 1928 @ 105 | 350.00 | 487,00 | 137.00 | 161.35 | 5 per cent. | 7 per cent. | |
| - | 4 per cent. (3) (4) | Sept., 1928 @ 100 | 350.00 | 487.00 | 137.00 | 137.00 | 4. per cent. | 5.56 per cent. | |
| 10 | 5 per cent. (3) | Fourth Series (5) Feb. 1, 1926 @ 102 | 350.00 | 487.00 | 137.00 | 146.74 | 5 per cent | | |
| | | Feb. 1, 1929 6 105 | 350.00 | 487.00 | 137.00 | 161.35 | 5 per cent. 5 per cent. | 7 per cent. 7 per cent. | |
| t, | 4 per cent. (3) (4) | Feb. 1, 1929 @ 100 | 350.00 | 487.00 | 137.00 | 137.00 | 4 per cent. | 5.56 per cent. | |
| t, | | BONDS (5) | | | | | | | |
| r | | Jan. 1, 1930 Mar. 24, 1920 (6) | 280.00 | 389.60 | 109.60 | 207.00 | 3.75 per cent. | 5.22 per cent. | 12.33 per cent. |
| y, | | Jan. 28, 1930 | 280.00 | 389.60 | 109.60 | 207.00 | 3.75 per cent. | 5.22 per cent. | |
| 1 | | Dec. 1, 1920 (6) | ****** | | 100.00 | 20,100 | orre per cent. | o.aa per cent. | |
| | 5 per cent. | Oct. 5, 1921 | 350.00 | 487.00 | 137.00 | 137.00 | 5 per cent. | • | |
| - | 5 per cent. | Apr. 1, 1922 | 343,00 | 477.20 | 134.20 | 144.00 | 5 per cent. | • | |
| | | Feb. 16, 1920 (6) Feb. 1, 1925 | 350.00 | 487.00 | 137.00 | 137.00 | 5.34 man | | |
| | 5% per cent. (5) | or upon notice by | 330.00 | 101.00 | 137.00 | 131.00 | 5% per cent. | 8 per cent. | 15 per cent. |
| 8. | | the holder during | | | 787 | | | | E |
| e | | January, 1921, 1922, | 2 8 | | 2 To 10 To 1 | | | | 9 701 |
| r | 1 | 1923, requiring pay- | | | | E- | | / | ^ 1 |
| s. | | ment February 1, | | | | | | • | 1 |
| | | of the year follow- | | | | | | | 1 |

Convertible into 4½s of 1925-1945 @ par for par.
 Convertible into 5s of 1929-1947 @ 1051-3 for par.
 Exempt from all British taxation, present or future, if the owner is a non-resident of the United Kingdom of Great Britain and Ireland.
 Exempt from all British income tax except super tax.
 All National War Bonds are sold plus accrued interest. Exchequer Bonds sold plus accrued interest, but books close and fealings are Ex-Coupon about five weeks before coupon due date. Amount balance on coupon due during period when bonds are Ex-Coupon is deduated from sale price.

ducted from sale price.

5) Now in liquidation through conversion par for par into the 5% per cent. Excheduer Bonds, due Feb. 1, 1925, issued at par.

Not Estimated Owing Short Maturity.

203,038,000 Hotel, Chicago.

STRAUS & CO. ANNOUNCE

STOCKS EX-DIVIDEND.

Mar 31-Allis-Chalmers Mfg pf. Mar 31-Central Coal & Coke.

Mar 31-Central Coal & Coke of

Mar 31-Gold and Stock Tel Mar 29-Great Northern Iron

Mar 31-Otis Elevator

Mar 31-Kansas City Southern

Mar 31-Niagara Falts Power pf.

Mar 31— do pf.
Mar 31—Pacific Gas and Elec...
Mar 81—Pacific Tel and Tel pf.

BETHLEHEM STEEL

The annual report of the Bethle-

Mar 31—U S Ind Alcohol pf.

NEW UNDERWRITING

BASIS CALCULATION

NORMAL AFTER 1923

Banks Called Upon to Perform Stupendous Tasks As Result of War.

CHECK LOOSE TRADE

Commodity Speculation and Inflated Tendencies Burdensome.

been called upon to undertake functions which properly belong to the The amount of the issue will be investment market. That is what has made the strain so continuous. and that is why, though the money

> The trouble goes as far back as the war financing. During the war of the bond sale would be used to pay off the banks. But the investsued. lowed the first half of the injunc-tion and neglected the second, with months of last year.
> The result that the banking system | While not all of this material imment bonds and notes. More than of shoes, says the bank's statement, ported in the fiscal year ending with one-half of the bill holdings of the the increase in those classes dis-

gations in current consumption.

losses, unsettled prices and confu-average price per pound in January, fare and the security and safety of individual loans, but the welfare of entire business community, banks have carefully scanned the oans wanted merely for holding commodities in speculation for higher price, as against loans for carrying inventories in the natural course of business or under the compulsion of the freight car short-Wherever there has been discrimination it has been in favor of ines that are manufacturing or producing necessities rather than luxuries. In the public interest the

essential lines must be protected. Further credit expansion, which would lead to another cycle of rising prices and still further endan-ger redeemability in gold, is now being held in check. If the gold that is sent here by Great Britain in connection with the payment of the Anglo-French loan in the fall added to whatever gold we may purchase in the London open mar-ket, should result in net additions to our stock strong efforts should be made to use that gold to support our present credit structure, and further inflation. Wisdom dictates that hereafter we should be prepared for withdrawals by keeping as great a surplus of gold under our credit structure as we can, so that exports of the metal will not force drastic contraction here, but will allow that contrac-

UNITED STATESGRAIN CORPORATION

The United States Grain Corporation today issued its forty-sixth The United States Grain Corporation today issued its forty-sixth weekly bulletin covering the wheat and wheat flour movement throughout the United States for the week ended March 19, in comparison with the figures for the same period a year ago. The figures gage 6 per cent serial bond issue of able assured to the build equipment out of this fund, to created a premium market for the must consider, when leasing, "the meated and that the hoarders and they have underwritten a first mort-parison with the figures for the same period a year ago. The figures gage 6 per cent serial bond issue of able assured to the same period by the premium, in which

| | given out are as follows: | a year ago. | |
|---|---|-------------|--|
| | Property and the second second second | 1920 | |
| | Wheat receipts from farms, bushels | 3,606,000 | |
| Ĭ | Wheat receipts from farms previous week, | • | |
| • | bushels | 4,129,000 | |
| | Wheat receipts from farms June 27 to March | | |
| | 19. bushels | 712,718,000 | |
| | Flour produced during week, barrels | 1,926,000 | |
| | Flour produced previous week, barrels | | |
| J | Flour produced June 27 to March 19, barrels. | 103,531,000 | |
| | Total stocks, wheat, all elevators and mills, | 0,00 | |
| • | bushels | 160,176,000 | |
| | Total stocks, wheat, all elevators and mills, | | |
| | previous week, bushels | 174.066.000 | |
| | Change for week, bushels | | |
| | change in meen, basicistitititititi | 4,090,000 | |

* Decrease. EXPORTS OF WHEAT AND FLOUR.

Exports of wheat and flour, July 1, 1919, to March 19, 1920, If the many influences responsible amounted to 90,873,000 bushels of wheat and 12,426,000 barrels of through the spread of conservatism and the movement toward lessening of extravagance in personal expenditures.

States, rederal Reserve Banks are authorized and requested to receive for the present money strain could be expressed as a single cause, that the banks have penditures.

If the many influences responsible for the present money strain could flour, making a total equal to 146,791,000 bushels of wheat and 12,426,000 barrels of wheat and 12,426,000 barrels of subscriptions and to make allotment be expressed as a single cause, that in full in the order of the receipt penditures.

If the many influences responsible authorized and requested to receive subscriptions and to make allotment be expressed as a single cause, that in full in the order of the receipt penditures.

States, rederal Reserve Banks are authorized and requested to receive subscriptions and to make allotment be expressed as a single cause, that in full in the order of the receipt be expressed as a single cause, that cause would be that the banks have rated from the mountaint cause would be that the banks have rated from the mounted to 90,873,000 bushels of wheat and 12,426,000 barrels of wheat and 12,426,000 barrels of subscriptions and to make allotment be expressed as a single cause, that in full in the order of the receipt be expressed as a single cause, that cause would be that the banks have rated from the mounted to 90,873,000 bushels of wheat and 12,426,000 barrels of wheat and 12,426,000 barrels of subscriptions and to make allotment be expressed as a single cause, that in full in the order of the receipt be expressed as a single cause, that in full in the order of the many influences responsible authorized and requested to receive subscriptions and to make allotment be expressed as a single cause, that in full in the order of the many influences responsible authorized and 12,426,000 barrels of wheat and 12, rated from the monthly balance, which makes a total of 211,779,000 bushels of wheat. Last year's total flour exports include American Relief Administration and American Expeditionary Force shipments.

What Is a Mere Price of \$20 for a Pair of Shoes to the American Public?

it was necessary that the govern- apparently no terrors for the Amer- class of material in the fiscal year, ment have a steady flow of funds. ican public. The quantity of mate- 1919-1920, is due in part to the peand beyond what was gained by taxes and Liberty loans, this was rial being imported for their manuits periodic campaigns the proceeds ported into the United States in the embargo has been removed the seven months ending with January, ment market did not absorb these 1920, says a statement by the Na- demand in the United States, due to bonds as rapidly as they were is- tional City Bank of New York, is shortage of supplies resulting from When individuals were urged 545,000,000 jounds against 210,000. the embargo, is greater than usualto borrow on their bonds and pay 000 in the same months of last year, greater than ever before apparent for them out of savings many folland the stated value \$241.000,000 ly—for the quantity imported is not lowed the first half of the injunc- against \$59,000,000 in the same only far larger than ever before.

Federal Reserve banks are made up tinctly used for shoe manufacturing | 000,000 pounds against the former of loans secured not by commeris very great, and this is true also high record of 744.000,000 in 1916,
cial paper, but by government oblias to prices. The quantity of calf and the value in the vicinity of In still another way the commer-ending with January, 1920, is 50,cial banks have been performing the |000.000 pounds, valued at \$27,000.000, ently the quantity of this class of further upward revisions, including plies are subject to shipping delays, difference between imports and are available for quick use, pre-ports has been made up by bank. to Europe or by the purchase of European securities. The duty of the investing public to relieve the investing public to relieve the the investing public to relieve the investigation of the war, and the value to the investigation of the war investiga properly belong to them-tasks the manufacture of shoes, show a which create an unstable and total for the seven months ending strained condition-has been re- with January of 80,000,000 pounds ferred to time after time for months against 25,000,000 in the correspondpast. This duty will be performed ing months of the preceding year, only when the present orgy of example and the price in January, 1920, 95.5 travagance ceases, and when people cents per pound against 67.9 cents manufactures thereof in the seven stop squandering their full incomes, in January, 1919, and 54.1 cents in or such a large proportion of them, the month in which the war ended Dry goat skins actually averaged Failing full relief by the invest- more than \$1 per pound in January, ment market, and following the 1920, as against an average of over lictates of prudence, the banks have 26 cents per pound in the year prebeen compelled to restrict the tx- ceding the war. Hides of cattle in either of the two years immetension of credits. No indiscrimishow a total for the seven months distely preceding. Should the presnate calling of loans that would ending with January of 309,000,000 have resulted in the unloading of pounds against 140,000,000 in the goods upon the market, business same months of last year, and the

Prices of boots and shoes have This large importation of this hem Steel Corporation shows it in occupied. It not only reduced its supplied by the subscriptions of the facture is two and one-half times years of the war, and especially to funded debt in 1919 by more than ness" having only a few months to being paid therefor four times as upon the expertation of materials is at the record figure now of apernment sold bonds to the public in much. The quantity of hides im- of this character, and now that this proximately \$89,000,000, or nearly one and one-half times the total quantities which can be exported are larger than before, while the ly-for the quantity imported is not but at prices far higher than ever before. Present indications are that is now loaded down with govern- ported is used in the manufacture the quantity of hides and skins im-June, 1920, will approximate 850 .skins imported in the seven months \$400,000,000 as against the high record of \$216.000,000 in 1917. Appar-1919, while the average import price | | er cent greater than in the year

appertains to or results from the increased demand in the United States, or a very considerable proportion of our manufactures of leather and leather products now goes abroad. The total exportation of leather and months ending with January, 1920, s \$189,000,000 against \$63,000,000 in the same months of 1919, and \$67,-000,000 in the corresponding months of 1918, or three times as much in value in the current fiscal year as ent rate continue the total exports of leather and leather goods in the fiscal year ending with June, 1920. approximate \$300,000,000 as sion has occurred, but in consider1920, 36.6 cents against 21.4 cents in against \$100,000,000 in 1918, and \$58,ing not only their individual welJanuary, 1919, and 22.2 cents in No000,000 in the year preceding the

W. B. HIBBS & CO.

HIBBS BUILDING

FOREIGN BONDS AND **EXCHANGE**

LIBERTY BONDS

NEW CAPITAL

To What Extent Will New Offerings Attract

The new transportation act is

Interstate Commerce Commission market in the United States.
must have "reasonable assurance of Free Gold Market Maint

nearly four times the greatest bond 699,068,000 interest or more than twice the 2,506,000 bond interest and the serial pay-2,506,000
2,134,000
88,736,000

88,736,000

189,807,000

The new hotel, which will be the finest in Chicago, will contain 780 guestrooms and will be under the would be those earning above the solutions will be under the would be those earning above the fold coin, especially as there is no would be those earning above the fold coin, especially as there is no would be those earning above the fold coin, especially as there is no courage the secessive destruction of fold coin, especially as there is no courage the secessive destruction of fold coin, especially as there is no courage the secessive destruction of fold coin, especially as there is no courage the secessive destruction of fold coin, especially as there is no courage the secessive destruction of fold coin, especially as there is no courage the secessive destruction of fold coin, especially as there is no courage the secessive destruction of fold coin, especially as there is no courage the secessive destruction of fold coin, especially as there is no courage the secessive destruction of fold coin, especially as there is no courage the course of the bill, because it will make no difference whence the gold to the trades would also enwould be those earning above the average—precisely the roads that would least need to borrow. same management as the Blackstone

the very strongest position it ever ernment bonds, while investments cent more than the monetary price ed and high potential profits. \$25,000,000, but decreased its work- gress has seen to it that existing But it cannot compel new investments to be made.

common stock. A and B, outstand-Statement of President Grace early this year, that Bethlehem Steel common has a book value of \$225 a share is borne out by the balance sheet, which shows an actual theoretical book value of \$227 a share. Current assets include nearly \$50, 000,000 in cash, Liberty bonds and

Treasury certificates. Orders of more than \$250,000,000 on the books indicate full operations for the current year, and with higher steel prices and a larger volume of business earnings for the common sttock in 1920 should be far in excess of the \$20 a share availaor \$1.26 a share, compared with \$141.014 or \$1.56 a share in 1917. ble for the common in 1919.

AND THE RAILS

Investors?

probably a better law than anyone had hoped for when the subject was first considered. The original provision that two-thirds of the profits earned by any one system above American Bankers' Association that the statutory "fair return" was to the domestic production of new gold go to the government, was changed be maintained in sufficient volume so that only one-half of such earn-ings are now to be recaptured. This is probably the largest proportion ments, Congressman Louis T. Mcthat the government could take and Fadden, of Pennsylvania, chairman still leave an incentive to private of the subcommittee of the Banking management for efficiency, economy and Currency Committee of the and new development.

and new development.

We cannot afford, however, the assumption that the railroad problem is solved. Though the new law provides that half of the earnings of any particular railroad above the statutory average return to railroads as a whole or to any particular "rate group" shall be taken outright from that railroad, it does not provide that half of any deficit suffered by any other particular for every newly-produced ounce. their capital, or even undergo not in any way influence the monethe applicant's ability to repay; "adequate" security must be furnished. All such loans shall bear which would have prohibited further interest at 6 per cent. While the sales of gold to manufacturers, but commission is also authorized to it is obvious that this would have

land, building and equipment.

The net earnings are estimated at

The effects of a grudging and pe- tice would be injurious to our curnurious policy with the railroads rency system. do not make themselves felt im- Premium to Producer Not a Subsidy. mediately, but accumulate over a The enactment of this law under long period. Pursued for the last present conditions, where the gold decade, the result of that policy has been to confine and sometimes to strangle industry on all sides. For a number of years investments in railroads have not been as attractive as other investments; railroads there in favor of it. The premium to be paid to the gold producer is have therefore not grown in proportion to other industry. The railroads are the channel through which nearly all goods must flow during production and before reaching the consumers today the channel is too narow. In nearly all basic lines there is a glut.

It remains to be seen how much capital will now be attracted into conformance with all other comthe railroads. Interest returns, ab- modities in the United States, the solutely assured, in equal amounts gold producer would have received to what the railroads can offer, can be obtained from investment in gov. tion in 1919, \$65.590,000 or 112 per in other industries offer unrestrictinvestment in the railroads shall not receive an "excessive" return. The present railway law in deal-

ing with railway wages. provides that the labor board shall consider, among other things, "the scales of wages paid for similar kinds of work in other industries" and "the hazards of the employment." Similar instructions might have been given to the Interstate Commerce Commission as a means of arriving at a fair wage for railway capital.

CENTENNIAL COPPER CO. Boston, March 28.—The annual report of Centennial Copper Company for year ended December 31, 1919, shows a loss of \$44.814, which resulted in a decrease in balance of current assets from \$421.965 to \$377.150. In 1918 Centennial earned \$113.975 after taxes. or \$1.28 a share compared with \$141.044.

Enactment of McFadden Proposal Imperative At This Time.

SITUATION IS SERIOUS Condition of Precious Metal Warrants Immediate

To meet the urgent request of the

Action.

suffered by any other particular for every newly-produced ounce. Since this transaction is confined to shall be given outright to that other the production and sale of gold as railroad. Such railroads may earn a commodity only, and without refas little as 2, 2 or 1 per cent on every newly-produced ounce. losses, so/long as the average earn-tary status of the metal. By this ings of all the railroads or of the means the jewelers and other con"rate group" equal 5½ per cent. sumers of gold will be able to obtain Railroads may borrow from the all of the gold that they require at government fund established out of the usual monetary price of \$20.67 the earnings of the more prosper-ous roads, but at terms apparently little better than those ordinarily obtainable in the open market. The bullion, which insures a free gold Free Gold Market Maintained.

space 6 per cent serial bond issue of \$5,000,000 on the Drake Hotel, now being erected on the Lakeshore Drive, Chicago. The bonds are secured by a first mortgage on the land, building and equipment.

The net earnings are estimated at the production of the applicant's event the premium paid upon old gold would not in any way have as sisted in the production of new gold. By the imposition of the excise upon the finished product there will be no incentive for the consumer of How Congress can expect railroads to pay 6 per cent for loans to hoard the metal in advance of the passage of the bill, because it will no incentive for the consumer of

> not a subsidy, because the govern ment has been and is now subsidizing the consumers of gold in manufactures and the arts. The whole sale index price number of all commodities in 1919 was 212, as compard to 100 in 1914, which shows that had gold increased in price in for his 58.5 million dollar produc-

SAFEGUARDING

which he did receive.

It is a generally recognized fact that first mortgages are the safest investment in the world. We would like to send you make bookiet telling of the world out first mortgage six the continuous which we believe make security doubly secure and which constitute the chief reasons for our record of fifty years without loss to an investor.

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